No. [illegible] 17

United States Supreme Court

October Term, A. D. 1916

E TESCO ELECTRIC MOTOR CO.,
Petitioner,
—v.—
CO MANUFACTURING CO.,
Respondent.

Of Petition for Writ of Certiorari.

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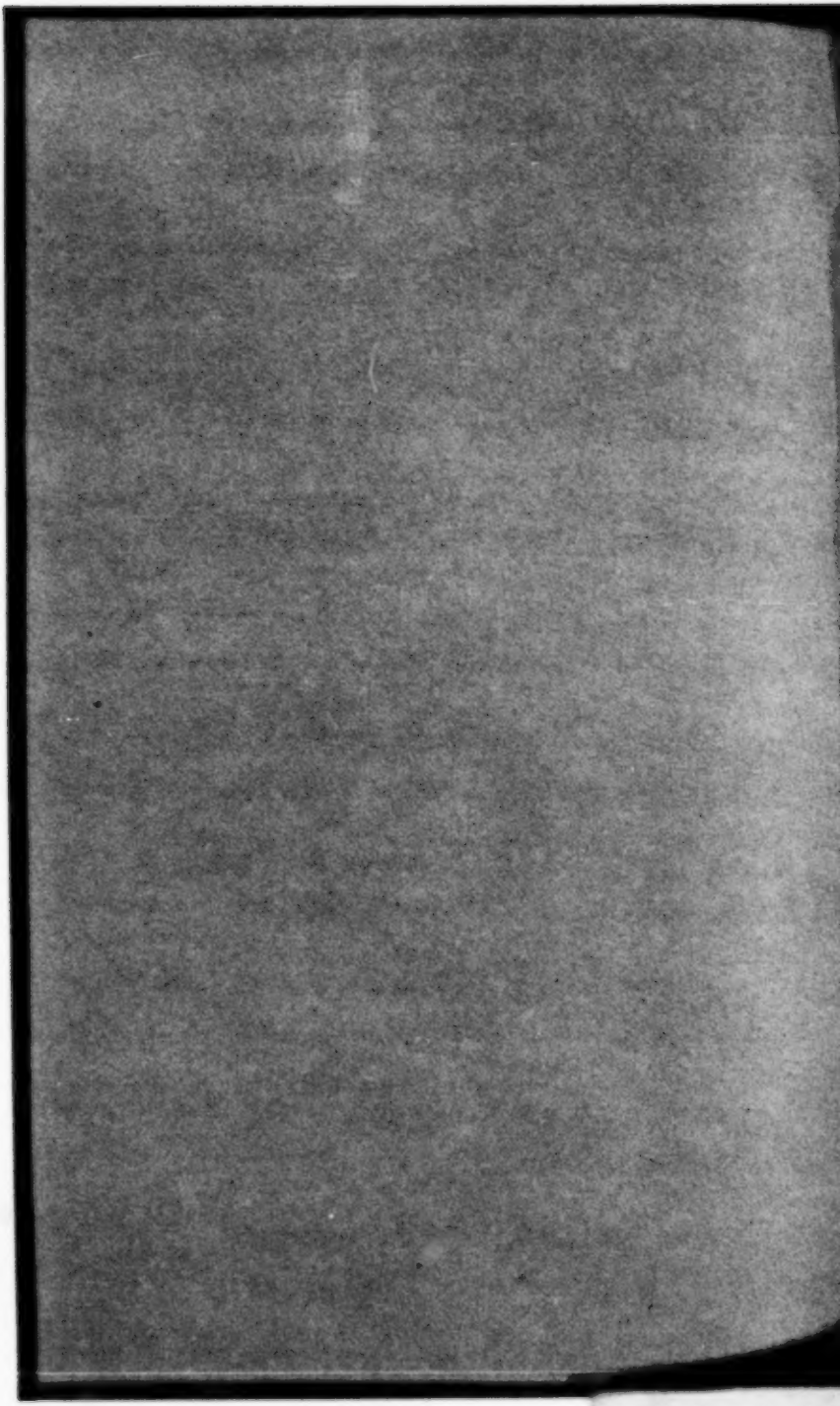

In the United States District Court

Northern District of Ohio
Eastern Division

The Temco Electric Motor Company,
Plaintiff,

—v.—

Leroy A. Westman and
The Forest City Electric Company,
Defendants.

No. 228.
In Equity.

Judge Westenhaver's Opinion

(Filed July 18, 1919)

Westenhaver, District Judge:

The bill herein charges infringement by defendants of United States letters patent No. 1,072,791 issued September 9, 1913, to Ralph P. Thompson and William S. Thompson and assigned by them to plaintiff. The defenses are the usual ones of invalidity for lack of novelty and lack of invention and non-infringement. The specific defense, however, most discussed and to which most of the testimony relates is that of an alleged prior use.

Ignoring the specific prior use, the validity of plaintiff's patent is not now open to question. It was upheld by this Court, Judge (now Mr. Justice) Clarke delivering the opinion, and his decision was affirmed on appeal. See K.-W Ignition Company v. The Temco Electric

Motor Company, 243 Fed. 588. Plaintiff's construction and the reasons why the patent therefor are valid are so fully described and set forth in the Circuit Court of Appeals opinion that reference thereto is deemed sufficient without any further observations by me. An examination of the record in that case discloses that all the patents pleaded and relied on herein as anticipation were all introduced in evidence. Six new patents only not set up in the answer as a defense or anticipation have been introduced on this hearing. They are available only as showing the state of the prior art. Of these the one most relied on is No. 761,353 to J. A. Brill and W. S. Adams. This patent is for a suspension spring on a car truck and is clearly more remote in the art than others presented and relied on as an anticipation and held insufficient as a defense by the Circuit Court of Appeals. Manifestly no new evidence or considerations are now presented not fully weighed and passed on by the Circuit Court of Appeals. Furthermore the validity of this patent was sustained by Hon. John M. Killits in a suit brought by the present plaintiff against the L. P. Halladay Company in the Western Division of this District. Upon this state of facts the validity of plaintiff's patent must be taken as conclusively established.

Passing to the specific defense of an alleged prior use, it becomes difficult to resist the impression that the necessities of the defense are responsible for the setting up of this use. The Circuit Court of Appeals decision was handed down June 8, 1917. The present case had been heard in this Court and a preliminary injunction granted at about the same time as the decree in the K-W Ignition Company case was affirmed. An order had also been made herein that this cause should remain on the docket for trial after the Circuit Court of Appeals had heard and decided the other case. No further proceed-

ings were had, but later in February 1918, defendants appeared by new and different counsel and applied for leave to file an amended answer, setting up this prior use. This application for leave was opposed, plaintiff's counsel urging that the understanding between Court and counsel was that the final decree herein should follow the decision of the Circuit Court of Appeals. But inasmuch as no stipulation in writing was produced authorizing or empowering judgment to be entered in this case, I granted the leave to amend and an amended answer was accordingly filed. Later, in April 1918, a petition and motion supported by affidavits were also filed in the Circuit Court of Appeals seeking leave to file in the District Court a supplemental bill in the nature of a bill of review to the decree of the Court below affirmed on appeal. The leave to amend and the petition for leave to file a bill of review are both based on the same grounds and supported by the same affidavits.

The prior use set up for the first time as a defense is one said to have been developed by the J. M. Shock Absorber Company or by its president, Felix Petitmaire, at Philadelphia and elsewhere. For convenience this use is referred to as the Philadelphia use. On the oral hearing herein another alleged use at Buffalo, New York, known as the Meinhart use, was also brought into the case and will be discussed separately.

Plaintiff's positions with reference to this Philadelphia use are (a) that it is later in date than the Thompson invention; (b) that it was at best an experiment which proved inoperative and unsuccessful and was abandoned; and (c) that in any event it is not the same as the Thompson invention. In my opinion, all of these positions are fully sustained.

Priority is clearly shown to be with Thompson. Concededly Thompson's invention was reduced to practice and installed on a Ford car between the middle and lat-

ter part of June, 1912. The patent was applied for promptly thereafter and steps taken at once to manufacture and sell it. The date of the conception by the Thompsons of their invention is disputed. One says that the conception was made in January 1912, and that a spring and other materials to construct a device in accordance therewith were assembled in February or March and that steps were taken to construct the device subsequently installed in April or May. Prior to January and during the following months until April, the Thompsons were engaged in constructing and installing a rear platform spring suspension on a Ford car. The conception for the patented device was suggested to them during the development of this work by the necessity of having some form of absorber on the front spring to co-operate with the rear platform spring suspension. The other Thompson is less specific and merely says that the conception was made some time in the early spring of 1912 and while developing and constructing the rear platform spring suspension. No drawings, models or disclosure of any kind to third persons of this conception is proved or claimed by the inventors to have been made earlier than the actual development and construction of the device first installed. The Thompsons were wholly disinterested at the time their testimony was taken and their testimony carries conviction. I find as a fact that their conception originated as early at least as the first half of April, 1912.

Defendants have wholly failed to show any date for the Philadelphia use earlier than the latter part of August, 1912. The testimony has been carefully weighed and considered. It is too large to permit of a critical analysis or review, hence I shall content myself with a brief statement of my findings therefrom. I find that Petitmaire did not apply a J. M. absorber to a Ford

car in August, 1911, nor at any time prior to August, 1912; that the work, if any, done by the mechanic Jerabek in helping to adapt a J. M. absorber to a Ford car was not done in August, 1911, but approximately a year later; that it is not true that Petitmaire or the J. M. Shock Absorber Company sold and installed absorbers for Ford cars during the latter part of 1911, and in increasing numbers in the early part of 1912; that on the contrary he obtained his first supply of brackets therefor the latter part of August, 1912, and such sales as were in fact made were not made earlier than September, and during the several months following; that the advertising circular, known as "Exhibit J" was not published and distributed in 1911 or early in 1912, but was, in fact, published and distributed after the first of October, 1912; that the other advertising matter in which shock absorbers for Ford cars were mentioned or described was in the later months of 1912 and none earlier than the latter part of August. There is no sufficient evidence tending to show the conception by Petitmaire of this alleged use at any specific date earlier than its actual production and installation. The evidence raises a suspicion, but is not clear and convincing that he had conceived the idea of installing on Ford cars a J. M. absorber in this was as early as June, but as evidence it is no more clear and convincing than that tending to show January, 1912 as the conception date of the Thompson invention. All the testimony of defendants' prior use is discredited by many considerations. Plaintiff's counsel state these considerations with much force and in strong language, and I regret to say that these criticisms are, in the main, justified.

This alleged use consisted merely in applying type "C" or single cylinder form of J. M. absorber to a Ford car. In order to do so a supporting bracket was de-

signed and fastened to the drum of the rear axle. A type "C" J. M. absorber was placed on this bracket merely in an inverted position, that is, turned upside down from the normal method of installation shown in the Jacquet patent No. 1,015,682, under which this absorber is made and sold. That patent was introduced and relied on as a defense in the K-W Ignition Company case. It was among the patents disposed of summarily in the opinion in these words, "The remoteness of the other alleged anticipatory patents is such that they need not be mentioned." The absorber was mounted pivotally on the bracket and the end of the automobile spring was attached to a bolt below the pivot which passed through the lower jaws of a U-shaped forging. This forging was brazed or welded to the absorber and appears to be of the same shape and form as that shown in the patent drawings and the general advertising matter of the company. Many reasons exist why this construction is not the Thompson invention. It was merely a mechanical performance of turning a J. M. absorber upside down. This operation would naturally suggest itself to any mechanic skilled in the art and might easily be done by him, and it is inconceivable to me that the Circuit Court of Appeals, with the Jacquet patent before them, could or would have summarily dismissed it without weight if merely inverting it produced or anticipated the Thompson invention.

Briefly stated, a few of the differences are: The Thompson invention depends for its success on its rigid mounting and means for limiting the side sway or lateral movement of the car body when in motion, and the means which accommodate the extension and contraction of the automobile springs. These features, the evidence shows, are what determined the difference between success and failure in this type of shock absorber.

The pivotal mounting of the J. M. absorber fails to embody the elements essential to accomplish these results. It must be held not to be the same use, even if it had been shown to have been prior in time.

Furthermore, the evidence clearly shows that the Philadelphia use proved a failure and was early abandoned. This finding is made after duly weighing and considering the testimony of the witness Guenther, and all the testimony as to the socalled Buffalo use. An unlimited and uncontrolled movement, such as exists with the pivotal mounting, is shown to be impracticable, if not inoperative. Such a construction permits the top of the absorber casing to strike against the wheel or fender, and allows an unlimited and uncontrolled sidesway or lateral movement of the car-body when the automobile is in motion. The result was that the Philadelphia use, instead of making riding in a Ford easier, created serious difficulties in steering and holding the car on the road, as well as inflicting damage on the wheel and fender. In Blackledge v. J. M. Shock Absorber Company, 213 Fed. 478 (reversed on another point, 220 Fed. 921) there is an express finding that an absorber which does not limit or control this side-sway or lateral motion is inoperative and a failure.

The evidence clearly shows such to have been the history of this Philadelphia use. A limited number were sold, beginning the latter part of September, 1912. Apparently numerous and repeated complaints began to come in from customers and agents. The advertising thereof was dropped and instructions given to make no further efforts to push or sell the Ford absorber. Apparently the J. M. Shock Absorber Company retired from this field the latter part of 1912, because of the failure of its construction, and practically abandoned its

use. It passed into the category of an abandoned experiment.

The defense in this respect is much discredited by the failure to disclose, if not the deliberate concealment and suppression of these facts, and by the assertions made in the application for leave to amend the answer and to file a bill of review in the nature of a supplemental review, that the construction first devised by Petitmaire was still being used and sold.

Later, in the early part of 1914, and after having practically abandoned the field for more than a year, the J. M. Shock Absorber Company employed Emile Lefevre, a competent engineer, and, when his deposition was taken in 1918, a captain in the Ordnance Department of the United States Army, who designed and developed a new shock absorber for use on Ford cars. This shock absorber was advertised extensively early in 1914 and has since been sold in substantial quantities. Petitmaire and the J. M. Shock Absorber Company were notified by plaintiff in 1916 that this construction is an infringement, hence his interest in this defense. An opinion perhaps should not be expressed in view of the probability of litigation as to whether this device is an infringement of plaintiff's patent. It is, however, sufficient to say that it was a new and different device from that constructed and installed the latter part of 1912, and is later, in point of time, than the Thompson invention.

Passing to the socalled Buffalo or Meinhart use, it will be noted that this was not set up in the answer and no notice of it was given by defendants thirty days in advance of the date of the trial, as is required by statute. Application for leave to amend the answer and set it up was applied for first within ten days before the date fixed for trial. Hon. John M. Killits, to whom the application was made in my absence, refused leave. On this hear-

ing the application was renewed to me and was denied. This case had been pending since 1914. An order had been made in June, 1916 that it should remain on the docket for trial after the decision by the Circuit Court of Appeals of the K-W Ignition Company case. Apparently Court and counsel then felt the issues were so identical that both cases would be disposed of by the decision of the Circuit Court of Appeals. Later, in February, 1918, an application for leave to file an amended answer had been made and granted over plaintiff's objection, despite the previous history of the case. This leave was granted in the exercise of a discretion, and in order that full opportunity might be given defendants to present their entire defense. Both parties during the ensuing interval of nearly one year had made preparation and taken a large volume of testimony at widely separated places to meet the issues as framed. Manifestly the hearing could not proceed if further amendments were permitted at this late date. I was of opinion then and am now that leave to amend or to bring in the Buffalo use should be and was properly denied, and that the public has no such interest in preventing the establishment of an invalid patent as justified me in disregarding plaintiff's right to a prompt hearing.

The testimony as to the Buffalo use, however, notwithstanding its inadmissibility, was received by me, under objection and exception, and is incorporated in the transcript of the oral hearing. Defendants urge that this testimony is admissible in any event as tending to show the prior art without answer or notice. It is limited to proof of a single installation of a specific type, and if admissible at all, its tendency is not to show a prior art but a prior use. All testimony as to the Buffalo use should be rejected and disregarded, and such is my holding.

No different conclusion is called for, even if this testimony be admitted. As already stated, it tends to show only a single use, the installation in March, 1912 on the Franz car. There is no substantial or sufficient evidence that any similar installation was made on any other car. Franz was the owner of a Ford car and had a sick wife who suffered discomfort from riding therein. He desired to improve its riding qualities, and having seen advertised the J. M. absorber, asked Meinhart, a garage owner, to place one on his Ford car. The J. M. absorber thus used was not the type "C" with a single cylinder, but was the double barreled, or twin type. In other respects, particularly as to the bracket and mounting, the installation was made in substantially the same manner as the Philadelphia use, that is to say a mechanic went through the ordinary mechanical performance of constructing a bracket and inverting thereon a J. M. shock absorber. It was mounted pivotally without means for limiting or controlling the side-sway or lateral movement of the car-body. Mr. Franz testifies that it made riding easier, did not interfere with the handling of the car and did not bump against the wheels or fenders. Two other witnesses are called whose testimony corroborates Mr. Franz that the date was March, 1912, and both testify as to one trip only in the Franz car shortly after the absorber was installed, during which Mr. Franz called their attention the shock absorber and said that the car jolted much less then than before in going over rough roads. One of these shock absorbers is produced. The top of its shell or casing is battered in such a way as tends at least to arouse suspicion that it had bumped against either the wheel or fender.

This testimony, in my opinion, is not sufficient to take this type of construction out of the category of an experiment. The proof is too full and convincing that this

type of construction is impracticable to be overthrown by this single incident. Moreover, whether successful or not it is a construction of a kind so different from plaintiff's invention that it does not anticipate. Defendants are at liberty to use it if they so desire. The J. M. Shock Absorber Company which installed and used the single cylinder type in substantially the same way, later discarded it as impracticable and resorted to a type of construction having the rigid mounting and means for limiting and controlling the side-sway or lateral movement, such as are present in plaintiff's construction. The law applicable to this situation is too familiar to require citation of authorities.

I am of opinion that defendants' construction is an infringement. This obviously was Judge Clarke's view when he granted the preliminary injunction and seems then to have been the view of defendants' counsel. The defendant, LeRoy A. Westman, had submitted to him by the K-W Ignition Company a sample of plaintiff's shock absorber with a request to submit a bid to manufacture the same. A bid was submitted, but no order followed. Later Westman designed and defendants began the construction of the absorber now complained of. Obviously Westman constructed the defendants' device with plaintiff's before him, and did so for the purpose of selling to the same trade, namely, the owners and users of Ford cars. No doubt, he sought to make such changes as would avoid a charge of infringement, but under these circumstances, merely colorable changes in the patented device or in its elements ought to be carefully scrutinized, and unless a new and different combination has in fact been developed, the charge of infringement cannot easily be avoided. A person in that situation, as has been well said, starts out not to patent an invention, but to invent a patent, and, as is usual in such

The United States of America }
Northern District of Ohio } ss.

I, B. C. Miller, Clerk of the District Court of the United States within and for said District, do hereby certify the foregoing to be a true copy of the Judge's Opinion filed in the above entitled cause in said Court, and that the same is correctly copied from the original now on file in my office.

Witness my official signature, and the seal of said Court at Cleveland, Ohio, in said District, this 13th day of March, A. D. 1926, and in the 150th year of the Independence of the United States of America.

B. C. MILLER,
Clerk.

By LEONARD C. MEON,
Deputy Clerk.

(Seal)